

FLOW INTERNATIONAL CORP
Form 10-Q
December 10, 2012
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended October 31, 2012

OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 001-34443

FLOW INTERNATIONAL CORPORATION

WASHINGTON
(State or other jurisdiction of
incorporation or organization)
23500 64th Avenue South
Kent, Washington 98032
(253) 850-3500

91-1104842
(I.R.S. Employer
Identification No.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No .
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if Smaller reporting
company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The registrant had 48,417,269 shares of Common Stock, \$0.01 par value per share, outstanding as of November 27, 2012.

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PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

FLOW INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except par values)

(Unaudited)

	October 31, 2012	April 30, 2012
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$15,273	\$12,942
Restricted Cash	865	1,435
Receivables, net	47,633	46,830
Inventories	41,660	40,069
Other Current Assets	16,989	14,269
Total Current Assets	122,420	115,545
Property and Equipment, net	18,592	17,488
Intangible Assets, net	4,998	4,936
Deferred Income Taxes, net	19,078	23,304
Other Long-Term Assets	5,339	5,793
Total Assets	\$170,427	\$167,066
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Subordinated Notes	\$10,059	\$—
Accounts Payable	23,071	22,577
Accrued Payroll and Related Liabilities	7,081	7,774
Taxes Payable and Other Accrued Taxes	2,713	3,735
Deferred Revenue and Customer Deposits	11,160	13,910
Other Accrued Liabilities	13,209	11,104
Total Current Liabilities	67,293	59,100
Deferred Income Taxes	5,901	5,777
Subordinated Notes	—	9,587
Other Long-Term Liabilities	1,635	1,554
Total Liabilities	74,829	76,018
Commitments and Contingencies		
Shareholders' Equity:		
Series A 8% Convertible Preferred Stock, \$.01 par value, 1,000 shares authorized; no shares issued and outstanding	—	—
Common Stock, \$.01 par value, 84,000 shares authorized; 48,413 and 47,891 shares issued and outstanding	481	474
Capital in Excess of Par	165,864	164,882
Accumulated Deficit	(65,341)	(69,672)
Accumulated Other Comprehensive Loss:		
Defined Benefit Plan Obligation, net of income tax	(81)	(81)
Cumulative Translation Adjustment, net of income tax	(5,325)	(4,555)

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Total Shareholders' Equity	95,598	91,048
Total Liabilities and Shareholders' Equity	\$170,427	\$167,066
See Accompanying Notes to Condensed Consolidated Financial Statements		

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in thousands, except per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	October 31,		October 31,	
	2012	2011	2012	2011
Sales	\$67,038	\$64,533	\$133,273	\$124,563
Cost of Sales	41,618	39,217	83,060	76,127
Gross Margin	25,420	25,316	50,213	48,436
Operating Expenses:				
Sales and Marketing	12,719	12,082	25,198	24,778
Research and Engineering	3,007	2,711	5,218	5,367
General and Administrative	5,730	5,361	11,599	11,970
Total Operating Expenses	21,456	20,154	42,015	